GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:4824
ANSWERED ON:15.12.2016
NTC Mills
Kirtikar Shri Gajanan Chandrakant;Singh Shri Kunwar Haribansh

Will the Minister of TEXTILES be pleased to state:

(a) the details of mills being run by National Textile Corporation (NTC) in the country at present;

(b) the details of the installed capacity of these mills and their actual production during the last three years and the current year;

(c) whether NTC mills are not utilizing their full capacity and if so, the details thereof along with the reasons therefor;

(d) whether many NTC mills are running into losses even after their modernization and if so, the details thereof along with the reasons therefor, mill-wise; and

(e) the expenditure involved in the modernization of each NTC mill during the said period and the corrective measures taken/being taken by the Government to improve the condition of NTC mills and make them running at their full capacity?

Answer

MINISTER OF TEXTILES
(SMT. SMRITI ZUBIN IRANI)

(a): The details of 23 National Textile Corporation (NTC) Limited functioning mills and 5 through Joint Ventures are in Annexure − I.

(b): The details of installed capacity and actual production during each of the last three years and the current year are in Annexure-2.

(c): During the first half year of financial year i.e. April-September'2016, NTC mills have achieved 90.50% Capacity Utilization, which is considered as fairly good level.

(d): During 2015-16, out of 23 running Mills, only 3 mills namely Cannanore Spinning and Weaving Mills, Cannanore, Burhanpur Tapti Mills, Burhanpur and Finlay Mills, Achalpur generated cash profit. The main reasons for incurring loss by NTC Mills are as under:
1. Low level of modernization- Level of modernization of NTC mills is only 50%.
2. NTC is producing basic material i.e. Grey Yarn and Grey Cloth and does not produce value added material.
3. Higher cost of production due to locational disadvantages of various NTC mills.
4. Higher power cost due to traditional procurement of power from various State Electricity Boards.

(e): The mill wise amount spent on Modernization as on 30.09.2016 is given at Annexure-3. As per Board for Industrial and Financial Reconstruction approved revival scheme MS-08, NTC has given dose of modernization to 23 units on its own. NTC is in process to optimize its various resources to reduce the cost of production by purchasing of power through open access, renegotiation of workload settlement with trade unions, coupled with introduction of value added products.